

Message Text

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60
ORIGIN ARA-10

INFO OCT-01 ISO-00 EB-04 TRSE-00 AID-05 SSO-00 NSCE-00

INRE-00 SP-02 NSC-05 RSC-01 CIEP-01 SS-15 STR-01

OMB-01 CEA-01 CIAE-00 COME-00 FRB-01 INR-05 NSAE-00

XMB-02 OPIC-03 LAB-01 SIL-01 SWF-01 PA-01 PRS-01

USIE-00 AGR-05 /068 R

DRAFTED BY ARA/LA/MRSD/MBFAC:PLANSDALE:TR

APPROVED BY ARA/BR:RWZIMMERMANN

EB/IFD;BCROWE (DRAFT)

ARA/LA/MRSD:DLION (DRAFT)

PPC/IA:NMOSHER (DRAFT)

US>IDB:NCOAR (SUBSTANCE)

TREASURY/IDB:CLOHMAN (SUBSTANCE)

ARA/BR:JSLATTERY

----- 027801

O 072205Z NOV 74

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA IMMEDIATE

INFO AMCONSUL RIO DE JANEIRO IMMEDIATE

AMCONSUL SAO PAULO

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E.O. 11652:N/A

TAGS:EAID, EFIN

SUBJECT:BRAZIL'S BORROWING FROM IDB/FSO

REFS: BRASILIA 8346, STATE 244425

1. IN FURTHER REPLY TO REF A, RESPONDING PARTICULARLY TO
LAST QUESTION, PLEASE NOTE STATEMENT IN REF B THAT QUOTE
CATEGORY A COUNTRIES ARE EXPECTED TO MAINTAIN OR PERHAPS
INCREASE TOTAL LEVEL OF BORROWING BY INCREASED BORROWING
FROM ORDINARY CAPITAL DEPENDING ON FINAL OUTCOME OF NEXT
REPLENISHMENT END QUOTE. THERE IS ONLY ONE BRAZIL LOAN
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STILL PENDING CY 1974 ACTION IN IDB, ACCORDING TO IDB'S

10/29/74 PRONOSTICO DES LOS PRESTAMOS. IT IS REQUEST FOR \$120 MILLION ORDINARY CAPITAL REPEAT ORDINARY CAPITAL FOR STEEL. APPROVAL OF THIS REQUEST WOULD NOT BE AFFECTED BY BUSHNELL STATEMENT OF OCTOBER 31.

2. FYI, FSO LOANS APPROVED SO FAR IN CY 1974 FOR THE THREE COUNTRIES STILL PARTICIPATING IN CATEGORY A (MORE DEVELOPED COUNTRIES) ARE:

ARGENTINA \$43 MILLION (INCLUDING \$28.4 MILLION IN DOLLARS) FOR RURAL ELECTRIFICATION;

ARGENTINA \$11 MILLION (INCLUDING \$6 MILLION IN DOLLARS) FOR AGRICULTURAL DEVELOPMENT (TULUM, ULLUM, ZONDA);

BRAZIL \$18 MILLION (INCLUDING \$8.9 MILLION IN DOLLARS)

FOR PREINVESTMENT (FINEP); AND

MEXICO \$15 MILLION (INCLUDING \$8.9 MILLION IN DOLLARS) FOR FEEDER ROADS (THIRD STAGE). THIS TOTALS \$87 MILLION (INCLUDING \$52.2 MILLION IN DOLLARS), COMPARED WITH FSO LENDING TO THESE THREE COUNTRIES IN CY 1973 OF \$97.3 MILLION (INCLUDING \$55.5 MILLION IN DOLLARS) AND CY 1972 OF \$103.8 MILLION (INCLUDING \$71 MILLION IN DOLLARS).

3. IN CY 1973, BRAZIL RECEIVED TWO FSO LOANS TOTALLING \$41.8 MILLION: FOR \$16.0 MILLION (INCLUDING \$5.5 MILLION IN DOLLARS) AND \$25.8 MILLION (\$21.7 MILLION IN DOLLARS), BOTH FOR EDUCATION. IN CY 1972, BRAZIL RECEIVED \$45.7 FROM FSO: ELECTRIC POWER LOAN FOR \$35.7 MILLION (OF WHICH \$26.7 MILLION IN DOLLARS), AND AGRICULTURAL LOAN FOR \$10.0 MILLION (OF WHICH \$4.2 MILLION IN DOLLARS. INGERSOLL

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGRICULTURAL DEVELOPMENT, BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 NOV 1974
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE245817
Document Source: CORE
Document Unique ID: 00
Drafter: PLANSDALE:TR
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740321-0005
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741161/aaaacabs.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: BRASILIA 8346, STATE 244425
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 10 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 SEP 2002 by boyleja>; APPROVED <25 MAR 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: RAZIL'S BORROWING FROM IDB/FSO
TAGS: EAID, EFIN, BR, IDB
To: BRASILIA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005